

USAG FSH POLICY STATEMENT NUMBER 51

SUBJECT: Designation of Assessable Unit Managers (AUMs), USAG FSH

PROPONENT: Internal Review Office

1. The Garrison Commander, Deputy to the Garrison Commander, Unit Commanders, Directors and Staff Chiefs are designated AUMs. Each AUM will provide leadership and support to ensure management controls are in place and operating effectively.

2. Each AUM will have an explicit statement of responsibility for management controls in their support form containing the following statement:

"Will comply with AR 11-2, paragraph 1-14, Management Control, 1 Aug 94."

3. The AUM's roles and responsibilities are specified in AR 11-2, paragraph 1-14, Management Control, 1 Aug 94.

APPROVED BY: Garrison Commander

Distribution: Directorates/Staff Offices, HQ USAG FSH

USAG FSH POLICY STATEMENT NUMBER 52

SUBJECT: Contract Offloading

PROPONENT: Office of the Staff Judge Advocate

1. Purpose. To provide policy guidance regarding offloading USAG requirements to other governmental agencies.

2. Definitions

a. OFFLOAD - The procedure by which an agency (also referred to as organization or activity) needing supplies or services obtains them from another agency.

b. REQUESTING AGENCY - The agency needing supplies or services.

c. SERVICING AGENCY - The agency providing, or potentially providing, supplies or services.

3. Offloading Considerations. The decision to offload USAG requirements to another agency must never be made in isolation. A number of factors must be considered, including, but not limited to:

a. The specific nature of the item or service. The decision to offload must be made on a case-by-case basis. Do not attempt to offload an entire family of items; each item must be considered individually.

b. The servicing organization's past experience and expertise in procuring the item(s).

c. Statutory and/or regulatory constraints associated with procurement of the item.

d. Funding constraints or limitations, particularly those involving appropriation of funds and term of obligation.

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4. Economy Act Applicability and Considerations. Unless more specific statutory authority exists (see par. 6, below), the Economy Act applies to all governmental interagency purchases, including task or delivery orders placed against contracts in excess of the micropurchase threshold (currently \$2,500).

a. Economy Act procedures do not apply to intra-DOD offloads.

b. This Policy Statement should not be viewed as encapsulating nor summarizing all considerations and procedures necessary to comply with the Economy Act. For additional information or clarification concerning the Economy Act and its applicability to a particular purpose, contact the Directorate of Contracting (DOC) or the SJA, as appropriate.

5. Determination and Finding Preparation and Processing. Before offloading a USAG requirement pursuant to the Economy Act, the requiring activity must prepare a Determination and Finding (D&F).

a. The D&F shall state that-

(1) Use of an interagency acquisition is in the best interest of the Government; and

(2) The supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source.

b. Economy Act D&Fs must generally be signed/approved approved by a DOC contracting officer with authority to contract for the supplies or services to be ordered. When offloading to an agency that is not covered by the Federal Acquisition Regulation, however, the D&F must be approved by the Army's Senior Procurement Executive.

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SUBJECT: Contract Offloading

c. USAG activities shall use FSH Form 198-E as a transmittal for Economy Act D&Fs. The Summary block of FSH Form 198-E will clearly state all pertinent background information and rationale required to substantiate each finding contained in the D&F. The Summary block of FSH Form 198-E must also contain:

(1) The amount to be paid to the servicing contracting office in surcharges.

(2) A comparison of the price of the item or service charged by the servicing agency versus the estimated or actual price that would have been paid if the requirement had gone to DOC.

(3) Specific and tangible anticipated benefits of utilizing the servicing agency in lieu of DOC (i.e., time, technical, price).

(4) The duration of the intended offload, and whether the offloading of the item is anticipated to be recurring.

(5) If applicable, steps that will be taken to reduce or alleviate the need for offloading of the requirement in future acquisitions.

6. Offloads not Subject to the Economy Act. As previously stated, the Economy Act requirements and limitations apply to interagency acquisitions, except in those instances where more specific statutory authority exists.

a. The Economy Act does not apply to acquisitions from required sources of supply prescribed in FAR Part 8 and related FAR supplements (e.g, Federal Prison Industries, the National Institute for the Severely Handicapped (NISH), etc.).

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b. The Economy Act does not apply to acquisitions from the General Services Administration when the requiring activity is procuring personal property and/or non-personal services for the use of the requiring activity in the proper discharge of its responsibilities.

c. The Economy Act does not apply to acquisitions of information technology from certain specific Information Technology contracts entered into by agencies that have been designated Executive Agents by the Office of Management and Budget. An example of such a contract is the Department of Transportation's Information Technology Omnibus Procurement Program, second iteration (ITOP II).

APPROVED BY: Garrison Commander

DISTRIBUTION: Directorates/Staff Offices, HQ USAG FSH

USAG FSH POLICY STATEMENT NUMBER 53

SUBJECT: Issuing Valid Military Interdepartmental Purchase Requests (MIPRs)

PROPONENT: Resource Management Office (RMO)

1. When procuring goods and services from Federal agencies outside of DOD, Garrison directorates, offices and other ordering activities (hereinafter referred to as Garrison Activity(ies)) are obligated to adhere to all legal, regulatory and policy requirements associated with Federal procurements in general, as well as those specifically concerned with intragovernmental acquisitions, such as the Economy Act.

2. The primary document for these procurement actions is the Military Interdepartmental Purchase Request (MIPR). Garrison Activities will comply with all applicable regulatory and policy guidance associated with the usage of MIPRs (DFAS-IN 37-1, Chapter 12, 31 U.S.C. 1501 and DODFMR, Volume 11A, Chapter 3), to include, but not limited to, the following considerations:

a. Cited funds are available only for the purpose and time period associated with the underlying appropriation; acceptance of funds from a Garrison Activity by another agency's revolving fund does not change these essential components of an appropriation. If the performing activity has not incurred obligations to fill a Garrison Activity's order before the end of the period of fund availability, the ordering activity must deobligate (recover) the funds. Since "availability as to time" is usually restricted to procurement of items for use (starting) within the same period as that for which the funds are available for obligation, funds-approving officials must ensure that the appropriate exception is documented, to include a legal review of procurement actions as needed.

b. Orders must be sufficiently specific and inclusive of all supporting data necessary to permit preparation of contractual instruments. They should include, at a minimum, a precise description of the requirement, the delivery terms, a fund citation, payment provisions and all determinations and findings required by law or regulation. This information need not be stated directly on the MIPR itself; it may be stated on an attached document referenced on the face of the MIPR.

c. When MIPRs are issued to fund purchases from agencies outside the DOD, in accordance with the Economy Act or other authority, additional documentation regarding the propriety of such purchase may be required. A separate policy statement will be issued regarding procedures, including requirements for Determinations and Findings (D&Fs), when procurements are